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CLIENT/MATTER NUMBER
099071-0103

[Date]

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Ms. Letitia Grishaw, Chief
Environmental Defense Section
United States Department of Justice
Ref. No. DJ # 90-11-6-06013
P.O. Box 7611
Washington, DC 20044

Re: Sixth Payment Demand Pursuant to 2006 Henderson Consent
Decree and Substitution and Clarification Agreement

Dear Ms. Grishaw:

The Nevada Environmental Response Trust ("NERT"), pursuant to and in accordance with the 2006 Consent Decree between Tronox LLC ("Tronox") and the United States ("2006 Consent Decree") and the subsequent 2006 Henderson Consent Decree Substitution and Clarification Agreement, hereby makes its sixth written demand for payment from the United States ("Sixth Payment Demand") for Future Response Costs.¹ The Future Response Costs included herein were incurred between January 1, 2016 and December 31, 2016.

All of the Future Response Costs included in this Sixth Payment Demand were incurred by NERT in connection with the remediation of perchlorate impacts at or migrating from the Henderson Site resulting from the historic production of perchlorate or chlorate at the Henderson Site. As you know, of particular concern is the existence of an approximately 3.5-mile long perchlorate-impacted groundwater plume beneath much of the Henderson Site and extending offsite towards and into the Las Vegas Wash. As indicated in the Action Memo (defined herein), the Southern Nevada Water Authority and others in the Lower Colorado River system conducted sampling and determined that the occurrence of perchlorate in the Lower Colorado River system originated from the Las Vegas Wash. Prior to the implementation of the current on-site groundwater extraction and treatment system ("GWETS"), which has operated continuously since 2004, it was estimated that perchlorate loading to the Colorado River system was up to 1,000 pounds per day. The primary purpose of the GWETS, which in 2016 extracted and treated approximately 463,300,000 gallons of perchlorate-contaminated groundwater and removed approximately 368,300

¹ Unless otherwise noted, all capitalized terms herein shall have the same definition as that provided in the 2006 Consent Decree and the 2006 Henderson Consent Decree Substitution and Clarification Agreement.

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pounds of perchlorate, is to remove the perchlorate from the groundwater plume and mitigate further impacts to the Las Vegas Wash and its connected water systems. As indicated in the Action Memo, the Las Vegas Wash is a tributary to Lake Mead and the Colorado River system, which combined affects approximately 15,000,000 end water users in Nevada, California, and Arizona.

In addition to the ongoing operation of the GWETS, in 2013, NERT completed an extensive soil removal project at the Henderson Site, which Tronox initiated in 2010. As part of this project, approximately 930,000 tons of contaminated soil was removed from the Henderson Site. Several areas of the Henderson Site still contain contaminated soil that could not be removed due to structural or other impediments. All of these areas are managed under a Site Management Plan, which prescribes procedures that must be followed when performing work or otherwise accessing these areas in a manner that may disturb existing soil.

Currently, NERT is continuing to implement a Remedial Investigation/Feasibility Study ("RI/FS") in order to develop a long-term soil and groundwater remedy for the Henderson Site. The RI/FS work plan was approved by the Nevada Department of Conservation and Natural Resources, Division of Environmental Protection ("NDEP") in July 2014, and NERT is currently implementing various investigative activities to fill existing data gaps and further delineate the perchlorate-impacted groundwater plume and potential perchlorate sources contributing to the plume. In addition to various treatability studies, pilot studies and soil and groundwater sampling efforts, these investigation activities include an extensive effort to characterize and delineate the primary source for the perchlorate plume beneath and extending offsite from the Henderson Site. In 2016, NERT completed the Phase I Remedial Investigation, received approval for and initiated the Phase 2 investigation and continued its efforts with regard to the investigation of the former production area in the Unit 4 and 5 Buildings located within the Tronox leasehold. In May 2016, NERT was directed by NDEP to expand NERT's RI Study Area to include the Eastside Sub-Area and the Northeast Sub-Area due to impacts from migration of hazardous substances released at the Henderson Site. Based on other parties' investigations throughout Henderson, the Eastside Sub-Area and the Northeast Sub-Area were known to contain residual perchlorate and chlorate in vadose zone soils at concentrations exceeding leaching based basic comparison levels, as well as throughout the area in shallow groundwater. With the addition of the Eastside Sub-Area, Northeast Sub-Area and the Downgradient Study Area, discussed below, the RI footprint has increased by approximately 60% from the original Study Area identified in the 2014 RI/FS Work Plan, which was limited to the Henderson Site and Off-Site Study Area.

Given the immense size of the plume and the complex nature of the NERT RI Study Area, the RI/FS process is currently expected to take at least two and a half more years, at which point a long-term remedy will be selected and implemented for the perchlorate-impacted soil and the perchlorate groundwater plume originating at the Henderson Site and extending offsite towards and into the Las Vegas Wash. In 2017, in part as an effort to condense the RI/FS schedule, the NERT RI Study Area was divided into three operable units (OU) (see the figure below). OU-1 is comprised of the Henderson Site. OU-2 includes the majority of the original Off-Site Study Area and the

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Eastside Sub-Area. OU-3 includes the remainder of the Off-Site Study Area, the Downgradient Study Area and the Northeast Sub-Area. At this point, NERT anticipates that the Record of Decision for OU-1 and OU-2 will be proposed in 2021.

INSERT FIGURE

The NDEP is also performing a Remedial Investigation (“RI”), for which NERT is funding the costs in advance (Unit 13), to evaluate potential perchlorate impacts to the subsurface and Las Vegas Wash in an area outside the defined boundaries of the original area of NERT’s RI/FS. This additional area is known as the “Downgradient Study Area.” While NERT’s RI/FS process is focused on the most significant perchlorate source area and the area immediately downgradient, the NDEP-led RI is focused on the further downgradient migration of perchlorate from the Henderson Site. Perchlorate found in groundwater in the Downgradient Study Area came from the Henderson Site either by leaching through the soil column and flowing through groundwater or by migrating through former facility ditches to former unlined ponds located near and within the Downgradient Study Area before seeping into the ground, leaching through soil, and flowing with groundwater. The NDEP RI process began in late 2014 and is anticipated to be completed in approximately 2020. At this point, it is anticipated that the Record of Decision for OU-3 will be proposed in 2022.

Another significant project in 2016 was related to the AP-5 Pond, a lined impoundment located at the Henderson Site, historically used in the manufacturing process for perchlorate and removed from service in 2001. Remediation of the perchlorate residuals were initiated in 2006 by adding Stabilized Lake Mead Water to dissolve the perchlorate residuals and treating the resulting water in the GWETS. Due to the presence of a leak in the primary liner, pursuant to the terms of NERT’s Groundwater Discharge Permit, the solids remaining in the pond must be removed to either repair the liner to maintain compliance with the permit or to close the pond and remove it from the permit. As part of the solids transfer process, in 2016, three (3) 600,000 gallon stainless steel process tanks were constructed. The tanks are used to contain the transferred solids slurry, as well as mix the slurry and wash the solids to allow for transfer of the decant to the GWETS for treatment. Transfer of the solids started in December 2016 and treatment of the decant started in July 2017. Decommissioning of the pond is anticipated to happen in the second half of 2017 with the treatment of the decant continuing into 2018.

In addition to the RI/FS and AP-5 Pond related efforts, in April 2016, NDEP ordered NERT to prepare an Engineering Evaluation/Cost Analysis (“EE/CA”) for the conveyance and treatment of perchlorate impacted groundwater to be extracted during construction dewatering operations associated with and the Southern Nevada Water Authority’s (“SNWA”) construction of the Sunrise Mountain Weir and Historic Lateral Weir on the Las Vegas Wash (“Wash”). In August 2016, NERT submitted the EE/CA to the NDEP and the U.S. Environmental Protection Agency (“U.S. EPA”). In March 2017, pursuant to the NDEP Finding and Order Requiring Implementation of Action Memorandum: Removal Action, Southern Nevada Water Authority Dewatering Project, Nevada Environmental Response Trust (the “Weir Order”), NDEP ordered NERT to construct a

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treatment system consistent with the EE/CA. The treatment system consists of two pump stations, the Sunrise Mountain Pump Station and the Historic Lateral Pump Station, one Central Water Treatment Plant ("CWTP"), and associated influent piping from the pump stations to the CWTP and discharge piping from the CWTP to the Wash. As we discussed in November 2017, due to the location of the Sunrise Mountain Weir and Historic Lateral Weir, it is anticipated that some of the perchlorate contaminated groundwater that NERT will treat may be from the AMPAC/PEPCON plume. NERT is in the process of evaluating and modeling the extent of perchlorate impacted groundwater from the AMPAC/PEPCON plume that NERT is treating as part of the Weir Project and intends to pursue AMPAC for its share of the costs. Therefore, NERT has withheld from this Sixth Payment Demand, all 2016 costs related to the Weir project, totaling approximately \$1,800,000.00 and NERT reserves its rights related to future reimbursement by the United States of the 2016 Weir Project costs. NERT intends to include all Weir Project costs not recovered from AMPAC in a future Payment Demand.

Throughout 2016, significant technological upgrades were made and supported to provide remote monitoring of the GWETS through the activation of GWETS/NET, which went live in December 2016. The implemented technology has dramatically increased the visibility of GWETS operational data in near real time, including extraction well rates, water elevation, effluent discharge rates and mass removal by well field.

As a result of implementing the RI/FS work plan and the other remediation activities described above, as well as participating in and funding the NDEP-led RI, NERT has incurred and continues to incur significant Future Response Costs to address perchlorate contamination at and migrating from the Henderson Site, resulting from the historic production of perchlorate and chlorate at the Henderson Site, for which it is now requesting reimbursement. This Sixth Payment Demand contains all of the information required under Paragraph 6.b. of the 2006 Consent Decree for each of the Future Response Costs included herein and is otherwise consistent with the 2006 Consent Decree. Each of the requirements contained in Paragraph 6.b. and the associated documentation attached hereto (Bates Nos. 2016NERT-000001 to 2016NERT-_____) are discussed in more detail below.

1. Invoice of Future Response Costs

Attached hereto as **Exhibit A** is an invoice for 21% of the Future Response Costs incurred by NERT and included in this Sixth Payment Demand, which totals \$_____. The invoice includes a breakdown of the component cost items paid by NERT. See Section 2 herein for the relevant cost authorizing documents for all invoiced costs. Further description of the component cost items paid by NERT is provided below.

a. City of Henderson, Nevada. These costs include rent payments made to the City of Henderson, Nevada for certain leased premises containing groundwater wells utilized in the extraction and remediation of perchlorate-impacted groundwater migrating from the Henderson Site.

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b. United States Department of the Interior, Bureau of Reclamation ("BOR"). These costs include rent payments made to BOR for certain leased premises containing a pipeline used in the extraction and remediation of perchlorate-impacted groundwater migrating from the Henderson Site.

c. Envirogen Technologies, Inc. ("Envirogen"). Envirogen provides on-going operation and maintenance of the GWETS pursuant to a Consulting, Operations, and Maintenance Agreement between NERT and Envirogen (the "O&M Agreement"). The O&M Agreement was amended in 2016 for the construction, operation and maintenance of a self-contained ion exchange treatment system near Lift Station 1, with the capacity to treat all extracted groundwater from the Seep Well Field. Furthermore, Envirogen's scope was expanded during 2016 through work authorizations related to enhanced monthly reporting, the AP-5 Pond closure project and modifications to Lift Stations 2 and 3. Accordingly, Envirogen invoices paid by NERT to address these issues and for overall operation of the on-site GWETS are included in this Sixth Payment Demand.

In 2016, consistent with the O&M Agreement, Envirogen issued credits to NERT totaling \$93,072.44 due to the plant loading falling below the defined credit threshold. The credit memos are included in Exhibit E. The total Envirogen cost included on Exhibit A has been reduced by the total credit amount referenced above, as well as the segregable chromium-related costs detailed below.

All segregable, chromium-related costs, including chromium analytical costs, have been removed from the invoice amount for Envirogen shown on Exhibit A. With regard to non-analytical chromium costs, we note that the O&M Agreement provides primarily for the payment to Envirogen of lump sum fees and does not distinguish in such lump sum fees between charges to NERT for chromium treatment and other activities within the scope of services. Accordingly, unless otherwise noted, calculation of the segregable charges for the treatment of chromium was developed based on Envirogen's proprietary cost modeling spreadsheet for this project that was finalized prior to Envirogen's submission of its bid to NERT for the operation of the GWETS.

With regard to chromium analytical costs, we note that NERT contracted with Envirogen to provide analytical services related to the GWETS under a separate agreement dated March 7, 2013 (the "Analytical Agreement"), which Analytical Agreement was amended in 2015 to add increased data review and reporting from the lab as required by NDEP. Though the frequency of lab testing specific to the chromium treatment as set forth in Table 2 below is quantifiable based on the Analytical Agreement, the Analytical Agreement is also a lump sum agreement and Envirogen's charges for such services are, therefore, not specifically quantifiable.

In total, the amount removed from the invoice amount for Envirogen on Exhibit A for segregable, chromium-related costs is \$233,569.08, calculated consistent with the approach used by Envirogen in NERT's submittal of 2014 and 2015 costs, and consists of the following:

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TABLE 1 – SEGREGABLE TREATMENT CHARGES

<i>Items</i>	<i>Usage</i>	<i>Total Charge^(a)</i>
Chemicals		
Ferrous Sulfate (5-8%) ^(b)	15,737 gallons	\$33,728.01
Lime ^(c)	3,750 gallons	\$ 2,719.29
Polymer (DW2533)	211 gallons	\$ 5,608.40
Repair & Maintenance Charges ^(d)	N/A	\$36,585.58
Sludge Handling, Transportation & Disposal ^(e)	3 dumpsters total	\$ 3,007.45
Charges for O&M Labor ^(f)	730 man hours	\$79,094.20
Total		\$160,742.93

- (a) Total charges are calculated based on the estimated usage times a cost modeling estimate of unit cost, plus a commercially reasonable mark-up.
- (b) Ferrous sulfate is used to precipitate chromium from the GWETS influent groundwater.
- (c) Lime is used, along with polymer, to coagulate the solids precipitated from the GWETS influent groundwater so they can be collected, pressed, and disposed of offsite.
- (d) Total charges for segregable repair and maintenance costs were calculated using cost modeling based on specific pieces of equipment dedicated to the chromium processing system. For each type of dedicated equipment for the chromium processing system, Envirogen's cost modeling spreadsheet estimates the frequency of major repairs and the estimated cost per occurrence.
- (e) After solids precipitated from the GWETS influent groundwater are filtered and pressed, they are put into a solids dumpster for disposal. Envirogen's cost modeling spreadsheet is supported by records of actual dumpsters utilized during 2016.
- (f) Operations labor includes time spent for operation, chemical unloading, onsite process control testing, and preparation of samples for outside laboratory testing. During a typical work week the labor required averaged 2 hours per day, 7 days per week.

TABLE 2 – SEGREGABLE ANALYTICAL CHARGES

<i>Analysis/Period</i>	<i>Process Control Testing^(a)</i>	<i>Outside Lab/Compliance</i>	<i>Total</i>
January 1, 2015 to December 31, 2015 ^(b)			
Total Chromium Analyses	365	1,549	1,914
Total Chromium Analysis Charge	\$1,376.57	\$14,056.38	\$15,432.94
Hexavalent Chrome Analyses	1,095	940	2,035
Hexavalent Chrome Analyses Charge	\$537.84	\$56,855.36	\$57,393.21
Total			\$72,826.15

- (a) Estimated based on usage of commercial test kits at the onsite laboratory at the Henderson Site.
- (b) Envirogen's charge to NERT under the Analytical Agreement is a lump sum, and although the Analytical Agreement is based on a specific number of tests to be performed it is not based on any specific fee for specific tests. The charge shown is calculated based on costs charged to Envirogen by the subcontractor plus an estimate as to what would be a commercially reasonable mark-up of said costs for purposes of extrapolating from lump sum fees.

d. Ramboll Environ US Corporation. As outlined more specifically in Ramboll's cover letter included in Exhibit E, payments made to Ramboll were for environmental consulting and remediation services rendered primarily in connection with investigation and remediation of perchlorate-impacted groundwater. These payments cover a broad range of activities, including but not limited to groundwater monitoring, soil and groundwater investigation, data compilation and evaluation related to the RI data gap investigation, community involvement activities, obtaining and complying with environmental permits, groundwater modeling and conceptual site model updates, human and ecological risk assessments, coordinating with and

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preparing submittals to NDEP and/or the U.S. EPA, environmental footprint analysis, preparing for and/or participating in stakeholder² meetings, preparing various work plans and summary reports related to the soil and groundwater remediation activities at the Henderson Site, and advising or otherwise assisting NERT regarding the sale of certain real estate received by NERT as part of the Tronox bankruptcy proceedings.

As in prior payment demands, NERT has removed any costs from the Ramboll invoices for which NERT received reimbursement under the applicable insurance policy. All eligible soil removal related costs (Site Management Plan ("SMP"), stormwater and erosion) were submitted for reimbursement under the applicable insurance policy. Accordingly, to the extent there are costs included herein related to the soil removal project, they are costs which were not covered by the insurance policy. All claims submitted to insurance for 2016 costs have been paid in full, and no costs reimbursed under that policy are included in this Sixth Payment Demand.

e. Tetra Tech, Inc. ("Tetra Tech"). As more specifically outlined in Tetra Tech's cover letter included in Exhibit E, payments made to Tetra Tech were for environmental consulting and remediation services rendered primarily in connection with investigation and remediation of perchlorate-impacted groundwater. These payments cover a broad range of activities, including but not limited to performance of multiple treatability studies as part of NERT's RI/FS, investigation of the Unit 4 and 5 Buildings as a potential source for the perchlorate plume located under and migrating from the Henderson Site, groundwater monitoring, GWETS oversight, permit compliance and reporting, implementation of the Enhanced Operational Metrics Program at the GWETS and the Continuous Optimization Program, as required by NDEP. Tetra Tech is also NERT's lead consultant with respect to the decommissioning of the AP-5 Pond located at the Henderson Site.

f. Foley & Lardner LLP. These costs generally include payments made to Foley & Lardner LLP for services rendered in connection with NERT's management and oversight of the soil and groundwater perchlorate response activities at the Henderson Site, as well as procuring additional funding for those activities. More specifically, these services included contracting and providing counseling regarding NERT's relationship with Ramboll, Tetra Tech and Envirogen, including negotiating an amendment to NERT's O&M Agreement with Envirogen for an ion exchange system, modifications to the Analytical Agreement and with Tetra Tech for remedial construction activities associated with the AP-5 Pond. The services also included assisting with the collection of insurance proceeds for use in furthering the Henderson Site cleanup efforts, as well as negotiating with the City of Henderson, Union Pacific and other landowners regarding access issues, which access was necessary for performance of treatability studies, the remedial investigation and

² The stakeholders for the Henderson Site that typically participate in these meetings include various public water utility providers in Nevada, California, and Arizona, including the Southern Nevada Water Authority, the Metropolitan Water District, the Central Arizona Project, the Las Vegas Valley Water District, as well as the City of Henderson.

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related activities. Foley & Lardner LLP also assisted NERT with compliance related to Resource Conservation Recovery Act ("RCRA") regulated activities as part of the Building 4 and 5 investigation and the AP-5 Pond project, compliance with the SMP for the Henderson Property, obtaining insurance coverage for the GWETS, analysis of legal rights related to the influent and effluent pipelines, as well as the Stabilized Lake Mead Water supply and providing counsel to ensure that all remediation activities are performed in a manner that is consistent with the National Contingency Plan ("NCP").

With regard to the inclusion of attorneys' fees, the Supreme Court has held that such costs are recoverable as "necessary costs of response" under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") when they are "not incurred in pursuing litigation," "significantly benefited the entire cleanup effort," and "served a statutory purpose apart from the reallocation of costs." The costs paid to Foley & Lardner LLP and included in this Sixth Payment Demand satisfy all of these requirements and significantly benefited the entire cleanup by increasing the funding available to perform environmental response activities related to perchlorate. Furthermore, the services performed by Foley & Lardner LLP facilitated (and continue to facilitate) a prompt and effective cleanup, thereby serving a statutory purpose under CERCLA apart from reallocation of costs. Additional information regarding payments made to Foley & Lardner LLP, including individual attorney rates, is attached as **Exhibit B**.

g. Tronox LLC. These costs include payments made to Tronox for electricity supplied by the Colorado River Commission ("CRC") and utilized in the operation of the on-site GWETS used to treat perchlorate-impacted groundwater. CRC bills Tronox directly for all CRC electricity supplied to the Henderson Site, and NERT reimburses Tronox for all CRC electricity costs attributable to the GWETS.

h. NDEP. Payments made to NDEP were for oversight costs (Unit 10) related to NDEP's participation in bi-weekly status calls and quarterly stakeholder conference calls, stakeholder relations efforts, and work on the RI/FS for the perchlorate-impacted groundwater plume at and migrating from the Henderson Site and implementation of the RI in the Downgradient Study Area (Unit 13). As in past years, for insurance coverage purposes, NERT is required to calculate what portion of the NDEP Unit 10 oversight costs were related to the soil removal in those portions of the Henderson Property covered by the remaining policy. To make this calculation, each year NERT evaluates all of the work performed by NERT's consultants and determines what percentage of that work was related to the soil removal project and related tasks in the covered portions of the Henderson Property. This percentage is then applied to the NDEP Unit 10 oversight costs when submitting these costs for reimbursement under the applicable insurance policy. For 2016, Ramboll was the only consultant to perform remediation services covered by the applicable insurance policy. NERT determined that 0.333% of Ramboll's work was related to the covered soil removal. Accordingly, NERT requested reimbursement of 0.333% of the NDEP oversight costs incurred in 2016. The remaining 99.667% of the NDEP Unit 10 oversight costs for 2016, are included in this

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Sixth Payment Demand. 100% of the Unit 13 NDEP oversight costs for 2016 are included in this Sixth Payment Demand.

i. U.S. EPA. Payments made to U.S. EPA were for oversight costs associated with the soil and groundwater perchlorate response activities at the Henderson Site. These activities generally included review of technical and planning documents, participation in bi-weekly status calls and quarterly stakeholder conference calls, and inter-agency consultation.

j. NERT Trustee. These costs include payments made to Le Petomane XXVII, Inc., not individually but solely in its representative capacity as Trustee of the Nevada Environmental Response Trust, for reimbursement of payments made to Jay A. Steinberg, not individually but solely in his representative capacity as President of the Nevada Environmental Response Trust Trustee, for services rendered in connection with the management and oversight of the perchlorate response and investigation activities at the Henderson Site. More specifically, these services included review and execution of remediation contracts on NERT's behalf and generally ensuring that NERT's funds are expended in an efficient and cost-effective manner so as to maximize the funds available for environmental response activities related to perchlorate.

k. Le Petomane, Inc. These costs include payments made to Le Petomane, Inc. for services rendered in connection with overall remedial strategy, management of environmental remediation contractors and the Remedial Program Manager, management and oversight of the response activities, including significant involvement in the oversight and management of the GWETS and its operator, implementation of GWETS/NET, Envirogen, budgeting and scheduling for all NERT perchlorate remediation activities and primary NERT liaison with NDEP, U.S. EPA and the Stakeholders. These services include preparation for and participation in stakeholder conference calls, preparation of annual budgets, amendments and related financial reporting and coordination of community involvement activities. All travel costs and expenses for the President of the NERT Trustee are included in the Le Petomane, Inc. invoices.

l. Remedial Program Manager. Steve Clough continues as NERT's Remedial Program Manager ("RPM") located at the Henderson Site to oversee and coordinate all NERT consultant activities with regard to the ongoing perchlorate response activities, remedial investigation, treatability and pilot studies, as well as the NDEP-led RI in the Downgradient Study Area. The vast majority of the RPM's efforts are related to remediation of perchlorate; therefore, 90% of the salary related costs for the RPM are included in this Sixth Payment Demand. With regard to costs related to the site office trailer and site vehicle, consistent with the Fifth Payment Demand, 50% of such costs are included in this Sixth Payment Demand.

m. Basic Water Company. Payments made to Basic Water Company were for water utility services necessary for the proper functioning of the on-site GWETS used to treat perchlorate-impacted groundwater.

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n. NV Energy. These costs include payments made to NV Energy for electricity supplied by NV Energy and utilized in the operation of the off-site components of the GWETS used to treat perchlorate-impacted groundwater at and migrating from the Henderson Site.

o. Century Link. These costs include payments made to Century Link for telephone service utilized in the operation of the GWETS used to treat perchlorate-impacted groundwater.

p. Evus Technologies LLC. These costs include payments to Evus Technologies for development of a web application known as GWETS/NET used to provide remote monitoring of the GWETS and to manage the groundwater extraction and treatment system in accordance with NDEP directives.

q. Kaempfer Crowell. These costs include payments made to Kaempfer Crowell, local legal counsel to NERT, for brief research regarding Nevada contractor licensing requirements.

r. Hale Environmental Resources & Safety Services, Inc. These costs include payments made to HER Services related to a Henderson Site health and safety analysis which considered all activities being performed by the various consultants.

s. Department of Conservation and Natural Resources Division of Water Resources. The costs include payments made to the Department of Conservation and Natural Resources Division of Water for the annual dam storage fee related to the GW-11 pond, part of the on-site GWETS used to treat perchlorate-impacted groundwater.

2. Contract, Purchase Order, or Other Cost Authorizing Document

All Future Response Costs paid by NERT and included in this Sixth Payment Demand were authorized by and incurred in accordance with NERT's budget for January 1, 2016 through December 31, 2016, as amended and approved by NDEP. A copy of this budget as amended (and the associated NDEP approvals) is attached hereto as **Exhibit C**.

3. Necessary and Consistent With the NCP

All Future Response Costs included in this Sixth Payment Demand are associated with the soil and groundwater removal and remedial actions related to perchlorate contamination at and migrating from the Henderson Site and were necessary and consistent with the NCP. As documented in the July 21, 2011 Action Memorandum: Removal Actions, Nevada Environmental Response Trust Site, Clark County, Nevada (NDEP No. H-000539) ("Action Memo," attached hereto as **Exhibit D**) prepared by NDEP, the soil and groundwater removal actions were necessary in that they were performed in response to actual or threatened releases of pollutants and contaminants which, if not addressed, may have presented an imminent and substantial

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endangerment to public health or welfare or the environment. Because concentrations of these hazardous pollutants and contaminants remain at and migrating from the Henderson Site following these removal actions, NERT is implementing its RI/FS and NDEP is implementing its RI in the Downgradient Study Area in an effort to achieve a long-term remedy that is protective of human health and the environment and results in a CERCLA-quality cleanup.

4. Supporting Documentation

Attached hereto as **Exhibit E** are copies of the invoices for all Future Response Costs incurred by NERT between January 1, 2016 and December 31, 2016, and included in this Sixth Payment Demand. These include invoices from the following entities:

- (1) City of Henderson, Nevada;
- (2) United States Department of the Interior, Bureau of Reclamation;
- (3) Envirogen Technologies, Inc.;
- (4) Ramboll Environ US Corporation (including an explanatory cover letter);
- (5) Tetra Tech, Inc. (including an explanatory cover letter);
- (6) Foley & Lardner LLP;
- (7) Tronox LLC;
- (8) Nevada Division of Environmental Protection;
- (9) Nevada Division of Water Resources;
- (10) United States Environmental Protection Agency;
- (11) Le Petomane XXVII, Inc., not individually but solely in its representative capacity as Trustee of the Nevada Environmental Response Trust;
- (12) Le Petomane, Inc.;
- (13) Remedial Program Manager;
- (14) Basic Water Company;
- (15) NV Energy;
- (16) CenturyLink;

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- (17) Evus Technologies LLC;
- (18) Kaempfer Crowell;
- (19) Hale Environmental Resources & Safety Services, Inc.; and
- (20) Department of Conservation and Natural Resources Division of Water Resources.

5. Proof of Payment

NERT has paid and, therefore, actually incurred the Future Response Costs included in this Sixth Payment Demand for the period of January 1, 2016 through December 31, 2016. As proof that these costs have actually been incurred, attached hereto as **Exhibit F** is a declaration of NERT's accountant, Lois West, CPA, verifying NERT's payment of the various invoices containing Future Response Costs included in this Sixth Payment Demand.

6. Proof of NDEP Approval

Attached hereto as **Exhibit G** is a copy of the Interim Consent Agreement between NERT and NDEP, effective February 14, 2011. All Future Response Costs incurred by NERT and included herein were incurred in accordance with and pursuant to this Interim Consent Agreement; accordingly, all of these costs have been approved by NDEP as required by the 2006 Consent Decree.

7. Officer Certification

As required by Paragraph 6.b of the 2006 Consent Decree, attached hereto as **Exhibit H** is a certification by Jay A. Steinberg, not individually but solely in his representative capacity as President of the Nevada Environmental Response Trust Trustee, that the information provided in or with this Sixth Payment Demand was provided to NERT by its counsel and environmental consultants and is true and accurate to the best of NERT's knowledge and that NERT believes in good faith that it is entitled to recover the amount requested, consistent with the United States' reservation of rights, memorialized by and through the Environmental Defense Section of the U.S. Department of Justice on July 13, 2016.

Based on all of the information provided above, this Sixth Payment Demand satisfies all of the payment demand requirements under the 2006 Consent Decree for each of the Future Response Costs included herein. Accordingly, NERT is entitled to reimbursement in the amount of \$ [REDACTED], as shown on the attached invoice (Exhibit A), and hereby requests that the United



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States remit payment in this amount to NERT in accordance with the 2006 Consent Decree and the 2006 Henderson Consent Decree Substitution and Clarification Agreement.

Please do not hesitate to contact me at (414) 297-5836 or toneill@foley.com with any questions regarding this Sixth Payment Demand.

Very truly yours,

Tanya C. O'Neill

Enclosure (CD with attachments, Bates Nos. 2016NERT-000001 to 2016NERT-)

cc: Brian Lynk, U.S. Department of Justice
Greg Brusseau, Axlor Consulting LLC

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James Dotchin, NDEP BISC
Rick Perdomo, Office of the Nevada Attorney General
Letitia Moore, U.S. EPA
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